



MILPITAS PLANNING COMMISSION STAFF REPORT

November 9, 2016

APPLICATION:	260 South Main Street - Specific Plan Amendment Permit No. ST16-0001, Site Development Permit No. SD16-0001, Minor Vesting Tentative Map Permit No. TP16-0001, and Environmental Assessment No. EA16-0006 - A request for recommendation to City Council for approval of a Specific Plan Amendment, Site Development Permit, Minor Vesting Tentative Map, and Environmental Assessment for 25 for-sale townhome-style condominium units and approximately 2,000 square foot commercial space located on a 1.19 acre site within the Midtown Specific Plan Area.
RECOMMENDATION:	Staff recommends that the Planning Commission: Adopt Resolution No. 16-035 recommending the City Council approve Specific Plan Amendment Permit No. ST16-0001, Site Development Permit No. SD16-0001, Minor Vesting Tentative Map Permit No. TP16-0001, and Environmental Assessment No. EA16-0006, subject to the attached conditions of approval.
LOCATION: Address/APN: Area of City:	260 South Main Street, APN 086-27-014, 086-27-051, 086-27-009 Midtown Specific Plan at the intersection of South Main Street and Sinnott Lane.
PEOPLE: Project Applicant: Consultant(s): Property/Business Owner: Project Planner:	City Ventures Hunt Hale Jones, Architect Kathleen Simmons Bhavani Potharaju, Contract Assistant Planner
LAND USE: General Plan Designation: Zoning District: Specific Plan: Site Area:	Mixed Use (MXD) Mixed Use (MXD) Midtown Specific Plan 1.19 acres
ENVIRONMENTAL:	The project is categorically exempt from CEQA review pursuant to Section 15168 (Program EIR) of the CEQA Guidelines.

EXECUTIVE SUMMARY

The proposed project is a request to develop an existing 1.19 acre site with a mixed-use development with 25 for-sale townhome-style condominium units and approximately 2,000 square feet of commercial space. The proposed project requires a Specific Plan Amendment, Site Development Permit, Minor Vesting Tentative Map and Environmental Assessment. Site improvements include new main driveway, guest parking, and pedestrian improvements on South Main Street and associated site landscaping.

Map 1
Zoning Map



Not to Scale.



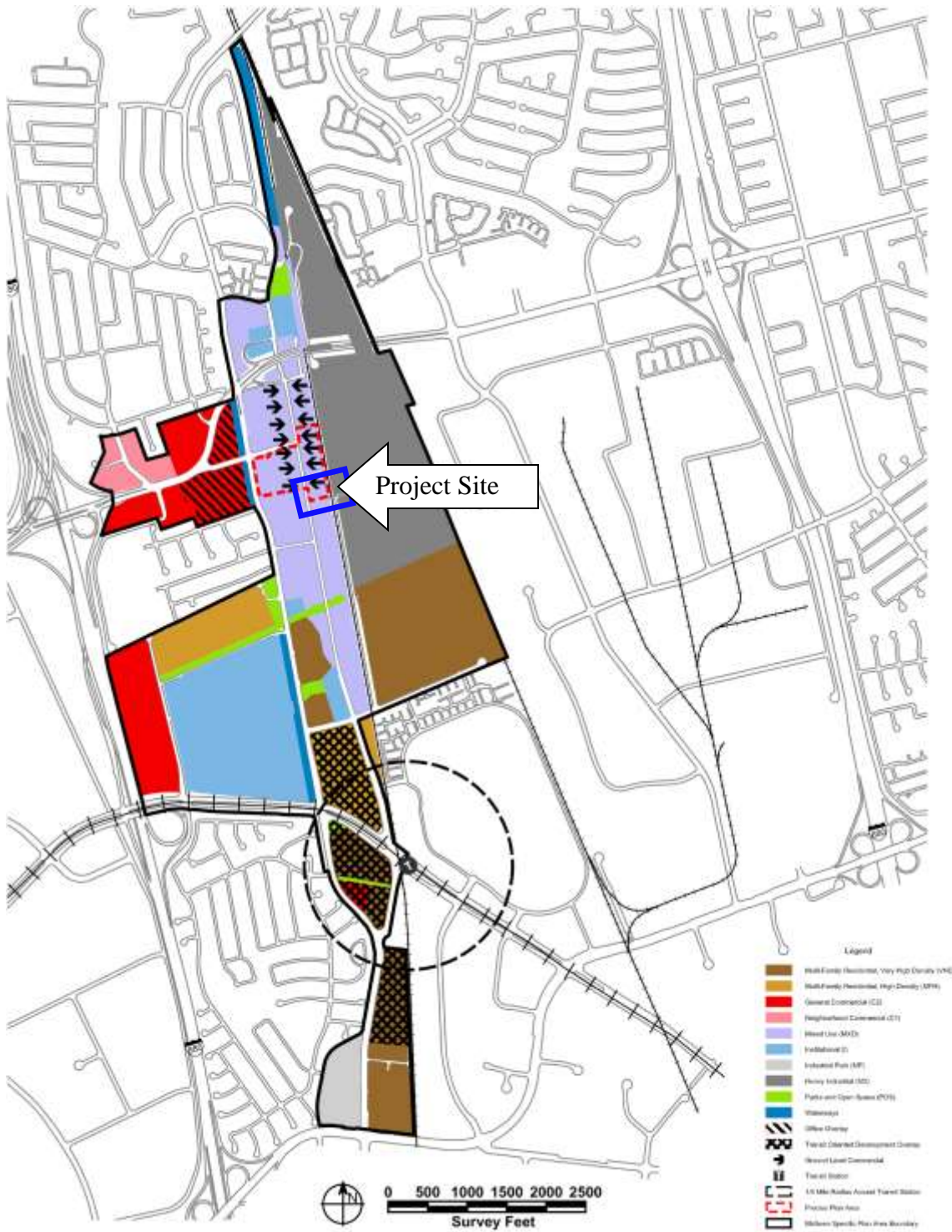
Not to Scale.

Map 2
Project Site



Not to Scale.

Map 3 Project Site within the Midtown Specific Plan



BACKGROUND

History

The project site being referred to as 260 South Main Street is a combination of 4 parcels of land- 244, 260, 270, and 282 South Main Street. 244 South Main Street is an empty parking lot, 260 South Main Street is a vacant commercial building, 270 South Main Street is a residential building with garage, and 282 South Main Street is a vacant lot.

On May 9, 1978, Planning Commission approved a Conditional Use Permit for repair and service of Honda motor bikes at 260 South Main Street. On July 22, 1978 Planning Commission denied an application for building signs for a new auto repair shop requesting to relocate at 260 South Main Street. This application was approved by City Council on July 11, 1978 upon appeal. Further in 2004, Planning Commission approved an 8-foot tall property fence along the rear and side property line of 244, 250 and 260 South Main Street.

The applicant, City Ventures, applied for a pre-application review for the mixed use development of 25 residential units and 2,000 square feet commercial space on November 25, 2015, and made a formal submittal for the project on January 15, 2016.

The Application

The following is a summary of the applicant's request:

- *Specific Plan Amendment:* To propose a text amendment to Policy 7.4 of the Midtown Specific Plan.
- *Site Development Permit:* To evaluate the site layout and architecture for the 25 multi-family townhome-style condominium units project.
- *Minor Vesting Tentative Map:* To establish a vesting map for condominium purposes, common lots and assign responsibility for maintaining common lots and infrastructure.
- *Environmental Assessment:* To assess categorical exemption for CEQA, Section 15168 (Program EIR).

PROJECT DESCRIPTION

Overview

The project includes demolition of the existing buildings (a residential building, a garage, a commercial building, and parking lot) and construction of a mixed-use building with 25 townhouse style condominium units within 4 three-story buildings. The building facing South Main Street will have approximately 2,000 square feet of commercial space. The project would be comprised of 20 three-bedroom units and 5 two-bedroom units. Each unit includes an attached two-car garage for parking. Retail parking is provided on the street and also shared with guest parking which is provided on the site. Three small private open space areas are proposed on-site. Vehicular access to the site will be provided through a new driveway from South Main Street and a second emergency vehicle access point towards the southern edge of the site onto Sinnott Lane. (See Attachment B, Project Plans). Site landscaping will be provided in the remaining open areas and will include trees, shrubs and other plantings.

Location and Context

The project site is located in the Midtown Specific Plan, at the northeast intersection of South Main Street and Sinnott Lane. The following table provides a summary of the Zoning and Land Uses surrounding the site:

Table 1: Surrounding Zoning and Land Uses

	General Plan	Zoning	Existing Use
Subject Site	Mixed use (MXD)	Mixed use (MXD)	Residential building, abandoned commercial building, and vacant parking lot
North	Mixed use (MXD)	Mixed use (MXD)	Residential building
South	Mixed use (MXD)	Mixed use (MXD)	Auto Care
East	Manufacturing and Warehousing (MW)	Heavy Industrial (M2)	Union Pacific Railroad
West	Mixed use (MXD)	Mixed use (MXD)	St. John the Baptist Catholic School

PROJECT ANALYSIS

General Plan, Specific Plan and Zoning Conformance

General Plan

The General Plan Mixed Use designation allows for commercial offices, retail and services, high density residential and public and quasi-public uses. Mixed-use buildings can contain a combination of residential and commercial uses. The General Plan contains Land Use Principles and Policies to help enforce this intent. The table below outlines the project's consistency with applicable General Plan Guiding Principles and Implementing Policies:

Table 2: General Plan Consistency

Guiding Principles and Implementing Policies	Consistency Finding
<i>2.a-G-2: Maintain a relatively compact urban form. Emphasize mixed-use development to the extent feasible, to achieve service efficiencies from compact development patterns and to maximize job development and commercial opportunities near residential development.</i>	Consistent. <i>The project is a mixed-use development which will provide commercial spaces along with residential development and increase job opportunities within the compact development of Main Street.</i>
<i>2.a-G-6: Implement the Midtown Specific Plan goals, policies and development standards and guidelines to create a mixed-use community that includes high-density, transit-oriented housing and a central community 'gathering place' while maintaining needed industrial, service and commercial uses.</i>	Consistent. <i>The project implements most of the Midtown Specific Plan goals, policies, and development standards, with one exception, for which a Specific Plan Amendment is sought. If approved, the project will offer a mixed-use, high-density community with multiple gathering places.</i>
<i>2.a-I-2: Promote development within the incorporated limits which acts to fill-in the urban fabric rather than providing costly expansion of urban services into outlying areas.</i>	Consistent. <i>The project is located on Main Street within the urban fabric of the City of Milpitas.</i>

Guiding Principles and Implementing Policies	Consistency Finding
<i>2.a-I-29: Develop the Midtown area, as shown on the Midtown Specific Plan, as an attractive and economically vital district that accommodates a mixture of housing, shopping, employment, entertainment, cultural and recreational activities organized within a system of landscaped boulevards, streets and pedestrian/bicycle linkages.</i>	Consistent. <i>The proposed project provides commercial spaces at the street level with a mixture of housing. The commercial spaces will provide employment and improve the streetscape creating an attractive Main Street.</i>
<i>2.a-I-30: Require development in the Midtown area to conform to the adopted design guidelines/requirements contained in the Midtown Specific Plan.</i>	Consistent. <i>The proposed project conforms to the design guidelines of the Midtown Specific Plan for setbacks, building height, density, parking requirements, etc.</i>

Midtown Specific Plan

The project site is located within the Milpitas Midtown Specific Plan and is zoned as Mixed Use. The project site is also located in the Precise Plan Area as shown in Map 3. The purpose of the Midtown Specific Plan is:

- Guide the development and further evolution of the Milpitas Midtown Planning Area (Midtown Area);
- Encourage development that responds to City and regional objectives, such as a compatible mixture of residential, retail, and commercial uses;
- Reflect neighborhood considerations; and
- Encourage private investment in the area.

The proposed project addresses the purpose and intent of the Midtown Specific Plan. The table below outlines the project's consistency with applicable Midtown Specific Plan Mixed Use Policies:

Table 3: Midtown Specific Plan Consistency

Mixed Use Policies	Consistency Finding
<i>Policy 3.10: Designate parcels along the Main Street and Abel Street corridor (as shown in Map 3) mixed-use and allow a mixture of retail, office, housing, service, and public/quasi-public uses in this area.</i>	Consistent. <i>The proposed project is a mixed-use development and provides ground floor commercial as shown in Map 3.</i>
<i>Policy 3.11: Encourage vertical as well as horizontal mixing of uses along Main Street. Require ground-level commercial space along Main Street between Carlo Street and Sinnott Lane, as shown in Map 3.</i>	Consistent. <i>The proposed project is a mixed-use development and provides ground floor commercial as shown in Map 3.</i>
<i>Policy 3.12: Encourage housing as the principal upper-level use along Main Street.</i>	Consistent. <i>The proposed project provides two bedroom condominium</i>

Mixed Use Policies	Consistency Finding
	<i>units on the upper level along Main Street.</i>
<i>Policy 3.13: Adopt development standards and design guidelines for the Mixed-Use District that will create a lively pedestrian environment.</i>	Consistent. <i>The proposed project follows the development standards of the Mixed-Use District and creates a pedestrian scale streetscape on Main Street.</i>
<i>Policy 3.14: Limit the establishment of new quasi-public uses within the mixed-use designation in order to create a more active street environment.</i>	Consistent. <i>The proposed project consists of commercial and residential uses only.</i>
<i>Policy 3.24: Require new residential development to provide public parks at a ratio of 3.5 acres per 1,000 persons, of which up to 1.5 acres per 1,000 persons can be developed as private or common open space.</i>	Consistent. <i>The developer of the project will pay a park-in-lieu fee as conditioned in the Conditions of Approval. Please see Attachment A.</i>
<i>Policy 4.16: Provide secure and weather protected bicycle parking facilities at the transit stations and within new residential, retail and employment destinations.</i>	Consistent. <i>The project provides bicycle parking facilities within the residential and retail development.</i>
<i>Policy 4.17: Ensure that new development complies with City of Milpitas Zoning Ordinance requirements for off-street parking. Consider reductions on a case-by-case basis.</i>	Consistent. <i>The project is consistent with the requirements for off-street parking as required by the City of Milpitas Zoning Ordinance.</i>
<i>Policy 4.18: Consider credit for on-street public parking directly adjacent to a retail development to meet overall development parking requirements.</i>	Consistent. <i>The project proposes to use six on-street spaces to meet the overall parking requirement for the commercial development.</i>
<i>Policy 5.4: Implement a program of streetscape improvements (Sidewalks, landscaping, bike lanes, benches, lighting) along Main and Abel Streets and Great Mall Parkway.</i>	Consistent. <i>The proposed project provides street trees and minor improvements to the streetscape along Main Street.</i>
<i>Policy 6.11: Incorporate energy saving devices into new development in order to promote energy conservation.</i>	Consistent. <i>The proposed development will build energy efficient homes to promote energy conservation.</i>
<i>Policy 7.4: The Precise Plan Area requires the</i>	Consistent. <i>The applicant is</i>

Mixed Use Policies	Consistency Finding
<i>preparation of a coordinated development plan (Precise Plan) for several parcels when development is proposed on the sites, as designated in Map 3</i>	<i>requesting for a Specific Plan Amendment which upon approval makes the project consistent with this policy.</i>

Specific Plan Amendment (See Attachment C for Exhibit)

Policy 7.4 as stated in the Midtown Specific Plan:

“Policy 7.4: Require the preparation of a coordinated development plan (Precise Plan) for several parcels when development is proposed on the following sites, as designated in Figure 7.2. Coordinated development plans would be required for the following parcels:

- ***Serra Way and Main Street***

The intent of this policy is to coordinate development over several parcels, so that each individual development contributes to a coherent overall site plan for a larger area. When a project developer located in one of the areas shown in Figure 7.2 approaches the City regarding future development, a site plan for the overall area will be required. Issues to be addressed at the Precise Plan level include: coordination of circulation and access; placement and configuration of parking; and building orientation. Opportunities for coordinating parcel access (i.e., sharing driveways and minimizing curbcuts) are a key issue along Main Street.”

Proposed Specific Plan Text Amendment to Policy 7.4:

“Policy 7.4: Require the preparation of a coordinated development plan (Precise Plan) for several parcels when development is proposed on the following sites, as designated in Figure ~~7.2~~ 7.1. Coordinated development plans would be required for the following parcels:

- ***Serra Way and Main Street***

The intent of this policy is to coordinate development over several parcels, so that each individual development contributes to a coherent ~~overall~~ site plan for a larger area. When a project developer located in ~~one any~~ of the areas shown in Figure ~~7.2~~ 7.1 approaches the City regarding future development, a ~~site plan for the overall area~~ **Precise Plan for the project site** will be required. Issues to be addressed at the Precise Plan level include: coordination of circulation and access; placement and configuration of parking; and building orientation. Opportunities for coordinating parcel access (i.e., sharing driveways and minimizing curbcuts) are a key issue along Main Street.”

The Midtown Specific Plan designates an area between Serra Way and Main Street as the Precise Plan Area. Per Policy 7.4, “*the Precise Plan Area requires the preparation of a coordinated development plan (Precise Plan) for several parcels when development is proposed on the sites,*” as designated in Map 3 of this staff report. The intent of this policy is to coordinate development over several parcels, so that each individual development contributes to a coherent overall site

plan for a larger area and requires a developer who intends to develop a site in this area to prepare an overall site plan.

When the Midtown Specific Plan was originally enacted, the Redevelopment Agency (RDA) financing was a tool available for use. By using tax increment financing, this system lent itself to the aggregation of small parcels into larger development sites, which could then be planned on a larger scale than would have been possible had the individual sites been separately developed. According to Planning Staff, the idea behind Precise Plan overall site design requirement was that the then-existing Milpitas Redevelopment Agency would be the primary leader and would bring in private developers to coordinate the development of different parcels within the Precise Plan since the parcels are relatively small in the Midtown Specific Plan. In the years since the Midtown Specific Plan was drafted (in 2002), redevelopment has disappeared. Currently, one developer has come forward to develop 260 South Main Street. Considering this changed development landscape, as well as the unpredictability of the type of future development of other sites in the Precise Plan Area, Planning Staff supports the Specific Plan Amendment proposed. Anticipating that the requested Specific Plan Amendment might find favor with the Planning Commission and City Council, Planning Staff has required the applicant to submit a Precise Plan for solely the project site highlighting the intent of the policy. See Project Plans, Attachment B.

Zoning Ordinance

The project site is zoned as Mixed Use District in the City's Zoning Ordinance. Per the Zoning Ordinance, the purpose of the MXD zoning district is to encourage a compatible mix of residential, retail, entertainment, office and commercial service uses within the framework of a pedestrian-oriented streetscape. It is intended that the residential and commercial uses allowed in the "MXD" District combine to provide for an "around-the-clock-environment" with urban open areas (i.e. plazas, squares) that serve multiple purposes and can be used for special events. The proposed project conforms to all the development standards of the Midtown Specific Plan and the Zoning Ordinance.

Development Standards

The table below demonstrates that the project is consistent with the development standards of the Mixed Use zone as per the Milpitas Midtown Specific Plan, as well as City's Zoning Ordinance:

Table 4: Summary of Development Standards

Development Standards	Standard	Proposed	Complies?
Front Setback	Along commercial – 15 feet from edge of curb	15 feet	Yes
Side Yard Setback	Commercial- 0 feet	Commercial – 3.78'	Yes
	Residential- 10 feet	Residential – 10'	Yes
Street Side Setback	8 feet minimum	8 feet 2 inches	Yes
Rear Yard Setback	10'	10 feet 7 inches	Yes
Floor Area Ratio	0.75 for the commercial space	0.04	Yes

Development Standards	Standard	Proposed	Complies?
Density	21-30 DU/acre	21 DU/acre	Yes
Building Height	45 feet	41 feet 6 inches	Yes

Site & Architectural Design

Per Section XI-10-57.03 of the Milpitas Municipal Code, the Site Development Permit application requires the Planning Commission consider and encourage the following site and structural development criteria:

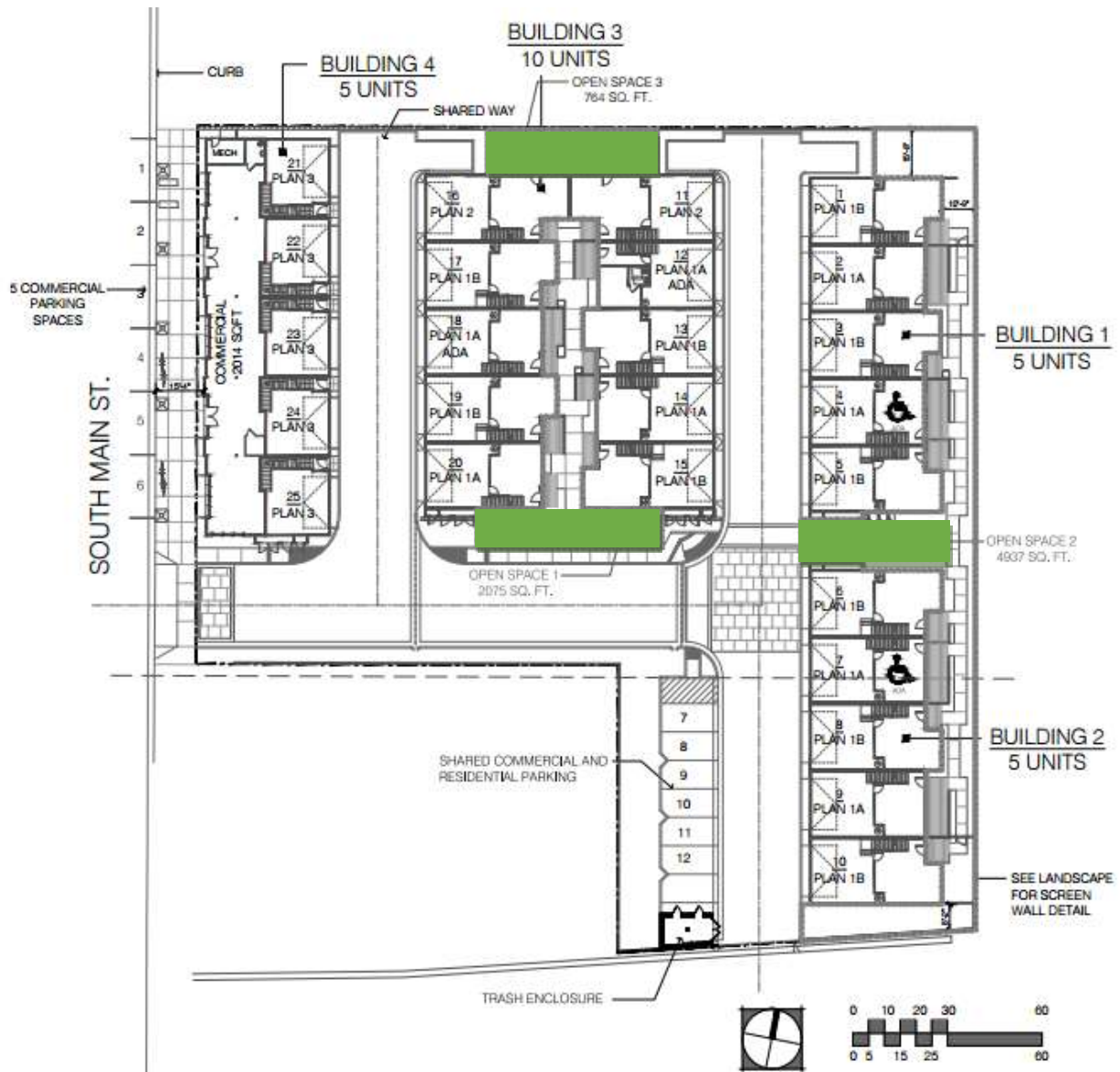
- a. Respects the physical and environmental characteristics of the site;
- b. Ensures safe and convenient access and circulation for pedestrians and vehicles;
- c. Exemplifies the best professional design practices;
- d. Encourages individual identity for specific uses and structures;
- e. Encourages a district community or neighborhood identity; and
- f. Minimizes visual impacts.

The proposed mixed-use, multi-family residential development is designed in 4 three-story buildings with five units in Buildings 1, 2 and 4, and 10 units in Building 3. Primary entrance to the commercial spaces are accessed from the Main Street, the front elevation of the building is treated with stucco finish and brick veneer to enhance the entrance to commercial spaces. The ground floor commercial space has a ceiling height of 14 feet with 50% window transparency. The doors and windows are shaded with metal awnings at 12 feet height creating a pedestrian scale on Main Street. The second story balconies have metal railings and standing metal seam accent roofs and use metal awnings projecting over windows as design elements. The building finishes include a mix of cement plaster finish and lap siding on all elevations. A flat roof is proposed for all buildings. The buildings are proposed at a maximum height of 41'-6" from finished grade.

Landscaping & Open Space Design

The proposed project includes frontage improvements along South Main Street, including sidewalks, landscaping, bike racks, lighting, and street trees as per Milpitas Midtown Specific Plan. Landscape within the site includes trees and decorative plantings along the perimeter of the site boundary, as well as in front of each residential unit. The site design includes three open spaces. Open space 1 is located next to Building 3 facing the private street, open space 2 is located between Building 1 and 2, and open space 3 is a private yard for two units which are part of Building 3. Open spaces 1 and 2 are available for the project residents' use and will be equipped with benches, bike racks and mailboxes.

The existing property has ten (10) trees on site. Eight (8) trees are proposed for removal, of which seven (7) of which are unprotected trees and one (1) tree is protected. The applicant is conditioned to replace the protected trees at a 2:1 ratio and the replace unprotected trees at a 1:1 ratio, and hence requires a total of nine (9) trees to be replaced on site. The applicant proposes a total of eighteen (18) new trees on site, and eight (8) street trees along the project street frontage along Main Street.



Fence and Walls

The applicant is proposing an 8 foot boundary wall in the rear and side property lines of the project site. Per Section XI-10-54.10(C)(2)(a), an 8 foot fence can be approved by Planning Commission for new multi-family project through a Site Development Permit.

Parking

Parking for the project complies with the Milpitas Municipal Code. The following table summarizes the parking required and provided for the project:

Table 5: Parking Standards

Parking	Square footage/ #	Required Parking Ratio	# of Spaces Required	# of Spaces Provided
3 or less bedrooms	25 units	2 per unit	50	50

Guest Parking		15% of required stalls	8	8
Retail	2,014 square feet	4 spaces per 1,000 gross square feet	8	6 on street ¹ , 2 on-site
Total Parking			66	66
Bicycle Parking		5% of total stalls	3	3 on-site
<i>¹Though on-street parking is not generally permitted to be counted toward meeting an applicant's parking requirement, Midtown Specific Plan Policy 4.18 expressly provides that credit can be given for on-street public parking directly adjacent to a retail development.</i>				

Access & Circulation

Vehicular access to the site will be provided through a new driveway from South Main Street and a second emergency vehicle access towards the southern edge of the site onto Sinnott Lane. The site layout includes three private streets (Street "A", Street "B", and Street "C"). Street A is the main access to the residential site; guest parking is located on Street C; and one parking spot is located in the northern end of Street B. The internal streets adjacent to the rear of residential units are designed to access the garages.

Pedestrian and Bicycle Facilities

The proposed project includes improving the sidewalk along South Main Street fronting the project site, and bicycle parking will be provided on Main Street. The site will provide secured bicycle parking within the garages of the units and three additional bike parking places will be located on the site in open space 1 located between Building 1 and 2.

FINDINGS FOR APPROVAL

A finding is a statement of fact relating to the information that the Planning Commission has considered in making a decision. Findings shall identify the rationale behind the decision to take a certain action. Staff has found that the proposed project is consistent with the General Plan, Zoning Ordinance, Midtown Specific Plan and all required Findings. The findings for approval are discussed in detail in Attachment A (Resolution 16-035).

ENVIRONMENTAL REVIEW

The project is categorically exempt from CEQA review pursuant to Section 15168 (Program EIR) as the Project will not cause new effects or require new mitigation measures not presented in the original Milpitas Midtown Specific Plan EIR. Please see Attachment D for detailed analysis.

PUBLIC COMMENT/OUTREACH

Staff provided public notice of the application in accordance with City and State public noticing requirements. At the time of writing this report, there have been no inquiries from the public. A notice was published in the Milpitas Post on October 28, 2016. In addition, 292 notices were sent to owners and occupants within 1,000 feet of the project site. A public notice was also provided on the project site, on the City's Website, www.ci.milpitas.ca.gov, and posted at City Hall.

CONCLUSION

In summary, staff finds the proposed Specific Plan Amendment Permit No. ST16-0001, Site Development Permit No. SD16-0001, Minor Vesting Tentative Map Permit No. TP16-0001, and Environmental Assessment No. EA16-0006 consistent with the provisions of the General Plan and Milpitas Municipal Code. The proposed project develops the existing site with a use that is compatible with the surroundings and consistent with the Midtown Specific Plan.

RECOMMENDATION

STAFF RECOMMENDS THAT the Planning Commission:

1. Open and close the Public Hearing; and
2. Adopt Resolution No. 16-035 recommending the City Council approve Specific Plan Amendment Permit No. ST16-0001, Site Development Permit No. SD16-0001, Minor Vesting Tentative Map Permit No. TP16-0001, and Environmental Assessment No. EA16-0006, subject to the attached conditions of approval.

ATTACHMENTS

- A. Resolution No. 16-035
- B. Project Plans
- C. Specific Plan Amendment Exhibit
- D. CEQA Analysis
- E. Acoustic Study
- F. Trip Generation Analysis